been necessary to take care of the service of its bonds, - the current levy is $2.90 per thousand of the assessed value of the District. Conservative opinion is doubtful as to final outcome and figures that service of the debt and possibly part of overhead expense may require a general levy indefinitely. Under these conditions it seems reasonable to include the bonds of the District in the per capita debt.

*** The City of Stockton operates on a calendar year basis. The other subdivisions have a fiscal year which ends June 30. Owing to the wide difference between the City and County basis of assessment, which was pointed out under the preceding heading, the city's percentage of net debt to assessed valuation, which is shown to be 7.71%, is not comparable to similar percentages shown for the County, School and Port districts bonds which are .43%, .70% and 2.31% respectively. If the City debt were figured on the County basis of assessment, the percentage of net debt to assessed valuation would be increased by approximately one-third.

There is no record of a default in County, City, School or Port District obligations and their bonds rank high with the investing public.